

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY AUTHORIZ-
ING THE FILING OF AN AMENDATORY APPLICATION RESPECTING THE LOAN
AND GRANT CONTRACT FOR THE SOUTH COVE PROJECT, NO. MASS. R-92

WHEREAS, pursuant to Title I of the Housing Act of 1949, as amended, the BRA is party to a Loan and Capital Grant Contract with the United States of America, dated June 9, 1966, respecting the South Cove Urban Renewal Project, No. Mass. R-92;

WHEREAS, it is necessary and in the public interest that the boundary of said Project be changed by the addition of the following area to the Project and, in connection with said boundary change, by increasing the amount of loan and grant assistance specified in said Contract:

The area in Boston bounded and described generally as follows:

Southerly by Stuart Street;
Westerly by Broadway; and
Northerly by Eliot Street;

WHEREAS, it is recognized that said Contract imposes, and in its amended form will continue to impose, certain obligations and responsibilities upon the Boston Redevelopment Authority, and requires and will require among other things (1) the provision of local grants-in-aid; (2) a feasible method for the relocation of individuals and families displaced from the Project Area, as said Area now exists and as it will exist; and (3) other local obligations and responsibilities in connection with the undertaking and carrying out of urban renewal projects; and

WHEREAS, Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color or national origin under any program or activity receiving Federal financial assistance, and Executive Order 11063 prohibits discrimination on the basis of race, color, creed or national origin in the sale, lease or other disposition of residential property (including land intended for residential use) or in the use or occupancy thereof; and

WHEREAS, the Boston Redevelopment Authority having elected to make relocation payments in excess of \$25,000, it is recognized that such payments are to be made in accordance with the regulations governing relocation payments; and the Boston Redevelopment Authority has, or will have, available local funds (other than local grants-in-aid or project funds) with which to pay its share of the payments in excess of \$25,000; and

WHEREAS, the objectives of the Urban Renewal Plan for said Project, as said Plan has been amended through the date hereof, cannot be achieved through more extensive rehabilitation of the Project Area;

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON RE-DEVELOPMENT AUTHORITY:

1. That the United States of America and the Secretary of Housing and Urban Development be, and they hereby are, assured of full compliance by the Boston Redevelopment Authority with regulations of the Department of Housing and Urban Development effectuating Title VI of the Civil Rights Act of 1964 and applicable Executive Orders.

2. That an application to amend the Loan and Grant Contract No. Mass. R-92 dated June 9, 1966, for the purpose of seeking an increase in the Project Temporary Loan from \$ 13,359,985 to \$ 24,499,620 , an increase of the Project Capital Grant from \$11,149,395 to \$ 21,232,370 is hereby approved that the Director is hereby authorized, for and on behalf of the Authority to execute and file such Amendatory Application with the Department of Housing and Urban Development, to provide such additional information and to furnish such documents as may be required in behalf of said Department, to obtain the necessary local approvals, and to act as the authorized correspondent of the Boston Redevelopment Authority.

3. That it is hereby recognized that relocation payments made in excess of \$25,000 are to be made in accordance with the regulations governing relocation payments and that the Boston Redevelopment Authority has, or will have, available local funds (other than local grants-in-aid or project funds) with which to pay its share of the payments in excess of \$25,000.

10B
January 23, 1969

TO: Boston Redevelopment Authority
FROM: Hale Champion, Director
SUBJECT: Increase in South Cove Project Expenditures Budget

1274
1/23

In a separate memorandum submitted today, I recommend that the Authority approve changes in the boundary of the South Cove Urban Renewal Project. The recommended changes involve additional expenditures not covered by the presently approved budget to the extent of \$670,241.

On September 19, 1968, the Authority authorized the filing of an amendatory application for Loan and Grant for the South Cove Project for the purpose of increasing the project expenditures budget to cover the expected increase in costs of project execution. This application has been submitted to HUD, but not replied to. I propose at this time, therefore, to rescind the amendatory application of September 18, 1968 and replace it with a new amendatory application to include the increase previously requested and, in addition, the increase due to the boundary change. The revised budget to be included in this amendatory application calls for an increase in project expenditures of \$9,548,982.

This increase is attributable primarily to the following:

- 1) Increased cost of real estate purchases resulting from court settlements in excess of original estimates and generally higher appraisals on properties yet to be acquired (\$3,658,000), of which \$575,000 is due to increased purchases resulting from the boundary change.
- 2) Required additional work not included in original budget (\$1,590,000), plus increases in unit costs and revised estimates of quantities and engineering expense (\$170,000).
- 3) Increased costs for site clearance work requires an additional \$760,000. Relocation of M.B.T.A. power lines will require the additional expenditure of \$390,000 to cover higher labor costs plus an increase in the scope of the work to be performed, not reflected in original budget.
- 4) Increased interest costs resulting from higher rates and need for longer period of borrowing (\$980,000).
- 5) Increased administrative expenses that will result from extension of project execution by 60 months and annual increases in the cost of doing business (\$767,000).
- 6) To eliminate Survey and Planning budget overrun resulting from the repayment of G.N.R.P. advance required by the Department of Housing and Urban Development (\$372,000).

I recommend the Authority adopt the attached Resolution authorizing the filing of an amendatory application for a Temporary Loan and Capital Grant Contract.

Att.

